

The Rt Hon Rhodri Morgan AM, First Minister for Wales

The Welsh Centre for International Affairs – 17 November 2009

As I stand here tonight, nearing the end of my tenure as First Minister for Wales, I recall a similar occasion on St Valentine's Day in February 2000. That was on the eve of my election as the National Assembly for Wales First Secretary. Earlier today I asked my secretary to see if she could Google a copy of my speech on that occasion to check if any predictions I made on that occasion of how Wales would develop had proved to be way off beam. She said that copies of my speech entitled Variable Geometry UK were available on the web from the WCIA but there was a charge – a small fee if I wanted to read my own speech. At least it wasn't in the Proceedings of the Royal Aeronautical Society!

On that occasion the focus was very much on Welsh politics and the place of Wales within the UK.

Tonight I want to talk to you about Wales as an Outward Looking Nation. I will argue being outward looking is now part of the Wales Brand.

10 years on it is good to be able to put to rest the scare mongering of the anti-devolutionists who claimed that devolution would lead to a more inward looking nation. What has happened is the opposite. Increased self assurance has contributed to a conscious choice by society in Wales to be more outward looking, not less.

What I hope to describe to you tonight is a two-way street, in which Wales is increasingly known, recognised and respected throughout the world, and in which Wales is a place to which the world is increasingly welcomed.

I will speak first about Europe before moving on to the wider world.

In the month which saw the Lisbon Treaty ratified by the Czech Republic and the 20th anniversary of the fall of the Berlin Wall, it is worth reflecting upon the way the European landscape has changed, what that has meant for Wales and our place in the European Union.

Throughout the 1980s until I was elected to the United Kingdom Parliament in 1987 I served as the Representative of the European Commission in Wales.

Back then, there was no 'European Union', or its predecessor the European Community. The 'Common Market' had only recently evolved into the "European Economic Community" consisting of only ten members. Its three most recent Members – Greece, Portugal and Spain – were barely a decade on from being run by Generalissimos and juntas of Colonel who had taken over by removing democratically elected governments.

Today, the collapse of the Soviet Union and the Communist system has a look of inevitability about it. However, back in 1987 who could predict that within two years the Berlin Wall would come down and that the process of European re-integration would begin. Last Monday, 9 November, marked a momentous anniversary - the twentieth anniversary of the fall of the Berlin Wall, a seismic event. Likewise who could have predicted that around the same time people power would also sweep away the Pinochet dictatorship in Chile and spring Mandela from Robben Island and into power in South Africa – People power indeed!

The accession of the former Soviet bloc countries into the EU in 2004 and 2007 for Romania and Bulgaria – is one of the most important events in Europe's history since World War 2. For the first time the nations of western and central Europe are united around a shared set of core beliefs: democracy, civilian leadership, the rule of law and respect for human rights, freedom of movement, freedom to trade.

From a Welsh perspective, as a small nation, clinging to the Western edge of a European Union where the centre of gravity was moving quickly towards the East, the question which all this poses for us is the part which sub-national groupings – or regions, as they are known in Euro-speak - will be able to play in its future. Increasingly, regions and localities demanded a voice and Regions began to establish small lobbying offices in Brussels.

It became clear that this increased engagement would require a significant commitment by the Assembly Government and in September 2000, we established an office in Brussels to facilitate better access to EU institutions and to raise the profile of Wales. The office is within Tŷ Cymru, where we are co-located with partners from the National Assembly, the WLGA and HEFCW. We have also developed close links with the United Kingdom Permanent Representation to the EU and with other EU regions.

There was a difficult and complex gestation before we arrived at the present Tŷ Cymru set up. Originally with the Assembly's constitution based on the corporate body idea, it did not really enable us to have a proper G2G office for the Assembly government with civil servants who could be given diplomatic status to enable to exchange views and e-mails with the UK Government's representative office in Brussels, known as UKRep. The Scottish UK Government's representative office in Brussels known as UKRep. The Scottish Government set up Jockrep to communicate with UKRep. We could not set up Taffrep until 2003.

The Assembly Government has proactively contributed to the strengthening of the overall role of regions, as evidenced by our Presidency of REGLEG (the grouping of Regions with Legislative Powers) in 2006, by our contribution to the European Convention and the negotiations that led to increased recognition (in the text of the Treaty of Lisbon) of the importance of subsidiarity and by our links to other EU regions (e.g. Catalonia and Baden-Württemberg) and to a Member State (Latvia).

Wales also has representation in Brussels through the members of various institutions, including 4 MEPs (Jill Evans, Derek Vaughan, Dr Kay Swinburne, and John Bufton) and members of the Committee of the Regions and ECOSOC.

We can and do share best practice, for example on bilingualism.

Since July 2008, the use of Welsh has been established as a 'co-official' language within EU Institutions – EU Council of Ministers, European Commission and the Committee of the Regions. This is an initiative that the Welsh Assembly Government has been working on with the UK Government for some considerable time.

The EU provides a framework for building prosperity, through the Lisbon Strategy for growth and jobs, and for high levels of social and environmental protection and is a leader in areas such as combating climate change. The Assembly Government plays a pro-active role in these policy areas and we share best practice with the Commission, for example on the Lisbon Strategy in areas such as skills and training to boost productivity.

It is important that the EU is relevant for its citizens and that it addresses the issues of concern. This was reflected in the recent European Economic Recovery Plan which was rapidly agreed by the Member States and which complements our own efforts in leading Wales out of recession.

Wales has also benefited significantly from EU funding. Investments over the period amount to around £260m annually or approximately 2% of annual Assembly Government expenditure.

The Welsh Assembly Government is similarly committed to working with the EU through the Common Agricultural Policy (CAP) and the Rural Development Plan (RDP). It delivers support for farmers and benefits to all aspects of rural life respectively.

Welsh programmes have been recognised as exemplars across the EU. Wales was one of the first EU regions to agree a contract of confidence with the Commission over quality of audit and financial control and has a track record of supporting research and development and innovation, demonstrated by the RegioStars awards 2008 and 2009 for OpTIC Technium in St Asaph and the DIPLE Printing Technologies in Swansea respectively.

We have also played a role in the development of EU policies, operating both through the UK Government and by direct contribution to the Commission's consultations on areas such as the EU Budget Review and, this spring, Territorial Cohesion. The EU brings clear benefits to Wales and it is vital that we engage in a constructive manner.

To find a meaningful institutional role for powerful regions is a significant challenge for the EU. The anomalies have been brought into sharper focus since the most recent enlargements. In population terms Wales is bigger than

five Member States and not very much smaller than another three. Malta has a population hardly bigger than Cardiff, but has a direct seat at the table and access to the entire EU decision making machinery. It also has a higher number of MEPs in proportion to its population. Contrast this with France's Rhône-Alpes region – for example - with 5.5 million people and a massive share of France's productive activity, but limited direct access to European decision making. Wales is somewhere in the middle.

In the ten years in which the Assembly has been in existence, there have been some very important developments in the way in which the European Union regards its regions and interacts with them. The Lisbon Treaty recognises the role of regional legislatures and I am proud of the part we played in having this acknowledged within the pre-cursor texts to the Treaty.

The Lisbon Treaty comes into effect on December 1st. It will have a minor implication on how the Assembly works because of the subsidiarity traffic light system on proposed new legislation emanating from the Commission. More important, we did make a major contribution to the Lisbon Treaty by helping the Foreign Office to draft the section on subsidiarity given that the FCO lacked the expertise in areas such as the competence of regional tier legislatures – and I do mean legislatures not governments – the Assembly itself, not the Assembly Government.

This approach provides re-assurance for citizens and vital protection for the democratic rights of Member States and regions within them.

From a wider perspective, it's vital that the necessary institutional changes are made to enable further expansion of the EU to its natural limits while remaining an efficient and useful organisation. This is harder than it sounds. We are building a Union based on pooled sovereignty and shared values but where individual nations – and countries/ regions within them – retain control over their national interests and domestic agendas.

My second strand moves me on to where Wales sits on the larger World canvas.

Far from becoming more inward looking, devolution initially forced us as a nation to put our heads above the parapets.

For too long, our lack of confidence had emerged as a sense of suspicion of the wider world; our determination to defend our sense of political, social and cultural identity risked appearing to others as an inwardness and a willingness always to blame others, rather than take responsibility for our own affairs, and our own future.

With devolution many of the old excuses were no longer valid and we had to take a fresh look at ourselves. It was, perhaps, the largest leap of faith in Wales' willingness to look outwards – a willingness to put to the test our ability to take control of our own affairs. Could we hack it? That was the \$64million dollar question. There were many, of course, who were sceptical about

Wales' capacity to make decisions – who predicted that the Assembly would quickly run into trouble and produce a breathless nostalgia for the good-old-days of rule from Whitehall. [I'm reminded again of the backdrop to my speech to this audience back in 2000]

Ten years on, I think I can say without any doubt that the opposite has been the truth. Naturally, not everyone agrees with what the Assembly Government does. That is natural in any democracy. Naturally, there is debate and discussion about the powers we have and the responsibilities we exercise. But almost nowhere are there voices which seek to turn the clock back on devolution itself. The tide which has run has been in the opposite direction. 'A taste of control', said the famous English Fabian socialist, G.D.H. Cole, 'gives rise to a taste for control'. And that is what has happened in Wales.

The development of a platform from which to engage with other regions and countries from around the world is one of the most creative aspects of devolution. We have things to learn and plenty to offer. Where there are conversations affecting our interests we need to get our voice heard. The world is becoming smaller; more and more policies are developing on a multi-lateral basis. We embrace our part in this process; we embrace a proper position for ourselves in the world. The kind of Wales I want to see is open-minded, competitive but constructive, outward-looking, responsible, engaged and adaptable. If we act that way we'll be using the demonstrable strengths of our people.

That is why Wales was a founding member of nrg4SD, the Network of Regional Governments for Sustainable Development, formed after the Johannesburg World Summit on Sustainable Development (2002). Nrg4SD which is currently co-chaired by Wales represents regional governments at the global level promoting understanding, collaboration and partnerships in sustainable development and seeking greater international recognition of the importance of the contribution which regions make to sustainable development.

In Copenhagen next month, Jane Davidson will, as co-chair of the nrg4SD, again be able to insert the views of regional tier governments, like Wales, who are forward thinking on SD, into the Earth Summit's proceedings. It is why in June 2008 Wales made history by becoming the world's first Fair Trade Nation with 101 local Fair Trade Groups across Wales and a fifth of all UK Fairtrade registered schools

It is why, despite the fact that the main responsibility for international development within the United Kingdom rests with the UK Department for International Development (DfID). The Wales for Africa programme supports and encourages more people in Wales to make an effective contribution to international development and to address global disasters/ emergencies as active global citizens.

Through activities such as making links between Welsh and African communities and hospitals, Wales is contributing to the delivery of the United

Nations (UN) Millennium Development Goals. These goals were agreed by every UN member state in 1999 and aim to halve global poverty by 2015.

I cannot allow this occasion to pass without referring to the remarkable efforts of Angela Gorman who may well be present here tonight. If ever there was an example of the best ideas being the simplest ideas, then it is Angela's delivery of magnesium sulphate doses to avert maternal deaths from pre-eclampsia in Chad and more recently very cheap £3 per course of drugs treatment to prevent death from post-partum haemorrhaging in Sierra Leone and elsewhere.

In June 2000, I hosted, the then Vice Premier of China, Wen Jiabao when he visited Wales. From a seed sown at that first meeting Wales's relationship with Chongqing grew. Wen Jiabao of course has gone on to become Premier of China although not entirely because of his visit to Wales. Our relationship with Chongqing which is at the crossroads between eastern and western China has flourished. Our universities over the next 12 years of declining numbers of 18-19 year olds will become increasingly dependent on overseas students from China and elsewhere. The spadework done in forging links with 31 million residents of the Chongqing municipal area will be of ever-increasing importance in maintaining the economic viability of our Higher Education sector during this era, when UK-origin student numbers will reflect the 25% shrinkage in the age-group cohort.

Over the coming decades the relationship with China and India is going to be vital to our economic prosperity.

In a globalising market, those places which will prosper in the future will be those which offer the clearest sense of stability, sustainability and well-rooted identity.

Speaking of identity prompts me to mention the success of Wales in Washington DC earlier this year. In accepting an invitation to be the featured nation at the 43rd Smithsonian Folklife Festival we worked with the world renowned Smithsonian Institution to present the cultural identity of Wales to the million plus visitors to the 10 day festival on the National Mall (and beyond through media and web coverage). The Wales Smithsonian Cymru programme, in addition to its own success, provided the impetus for a range of other activity in Washington in the run up to and during the Festival. This included the largest ever trade mission to leave Wales with 80 companies involved. Indeed it was possibly the largest trade mission ever to leave the UK. These are opportunities which would never have come Wales's way before devolution - and which, even if they had, we might not have had the self confidence to pursue.

The real Wales is, and has always been, forward-looking and outward-looking, a truly internationalist nation. The difference we have seen in the last 10 years is in the increase in confidence and opportunity.

I said earlier that I was describing a two way street. Well, in one direction, the traffic passes from Wales and into the world. In the other direction, we are taking real strides in welcoming the world into Wales.

From the first days of devolution when Wales hosted the 1999 Rugby World Cup and put the Millennium Stadium on the map of truly world class sporting venues, there has been a steady growth in Wales's reputation among the world's sporting communities. From the quality of individual sporting champions like Joe Calzaghe or Nicole Cooke (to name just two) to the strength of the Wales offering in terms of facilities and infrastructure for disability sport which has persuaded the national paralympic teams of Australia, New Zealand and South Africa to choose Wales for their pre 2012 training camps.

It is now less than a year until the Ryder Cup comes to Wales. We cannot underestimate the importance of that to Wales's international profile. In terms of TV coverage only the Olympics and the World Cup are bigger. In terms of marketing power to the American and Japanese business audience, no sporting event is bigger.

And sport is only one of the areas in which we have successfully welcomed the World to Wales.

Increasingly film and TV companies are coming to Wales – not only because of our natural beauty which makes it a fantastic location, but because of the welcome and support they receive from a strong creative industries sector. Skills and infrastructure not grants and low wages, that is the way forward.

The Wales Millennium Centre, celebrating its 5th birthday, has had great success in reaching out across the globe, welcoming world renowned artists and companies to Wales for the first time.

I want to see the world coming to Wales. In a globalising economy, those places which will prosper in the future seem to me to be those which offer the clearest sense of stability, sustainability and identity. When information flows around the globe in nano-seconds, so that it doesn't matter if your desk is in Singapore or Snowdonia, Hirwaun or Honolulu, then it will be the attractions of the locality which will determine location decisions.

Wales as a place which attracts the world will need to deploy our enormous natural assets of coast and climate, of scale and cultural infrastructure. In a world where people and organisations can go anywhere, the *somewhere* has to be not just another anonymous pimple on the surface of the world but a place which offers a sense of identity which is confident and out-going, and a quality of life beyond the workplace which sustains a sense of creativity and well-being.

The Wales I celebrate with you today, is a Wales which is confident, and out-going; a Wales where we recognise the strength of our own identity and the part which we can play in the world.

I am proud to have been First Minister during the crucial first 10 years of self-government and I am proud of the efforts to put Wales on the World map.