

PRÉSIDENCE
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RÉPUBLIQUE

Speech by the President of the Republic
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Elysée Palace – Wednesday, August 25, 2010

Mr. Prime Minister,
Mr. President of the Senate,
Mr. President of the National Assembly,
Mr. Minister of Foreign and European Affairs,
Ministers,
Parliamentarians,
Ambassadors,

There are moments in history when fate wavers between the best and the worst possible outcome. Moments when all that has been achieved could be lost or, conversely, lead to lasting progress. We are at one of these moments now.

This is the case for the international community's actions in the crescent of crisis that stretches from the borders of Pakistan to the far reaches of the Sahel, encompassing Iran and the Middle East.

It is the case in Europe, where the Treaty of Lisbon and the decisions taken to deal with the financial crisis are opening up prospects still to be developed if we are to make the European Union a global player.

It is also the case for the global economy, which has not yet resumed the path of solid and sustainable growth, while the G20 must prove that it has the determination to pursue the necessary reforms.

At the big table where the decisions are made, new actors have joined the recognized powers. With good reason, they are calling for their rights to be recognized. But they also have to accept that with these rights come duties and responsibilities. They have to recognize that their amazing success means that they must go beyond the defense of their national interests and must make their contribution to solving the world's problems. This momentum has begun and I welcome it.

At this moment in history when fate hangs in the balance, we need determination and unity, in order to tip the scales in the right direction. If we are divided and hesitant, if the recognized powers and the major emerging countries don't manage to come to an agreement on the goals to be achieved and the means to achieve them, if we are not able to act jointly to combat the challenges of terrorism and proliferation, economic imbalances and climate change, then we will have failed in our duty.

At this moment in history when fate hangs in the balance, France must assert its vision, its determination. But it must just as equally try to find, for each of the major challenges that we must overcome, the path that combines progress and ambition. I expect each of you to speak on behalf of France, but also to listen to the expectations of the world.

Ladies and Gentlemen, Ambassadors,

The fight against terrorism remains a major priority.

All analyses conclusively confirm that since 2001, as a result of the blows it has been dealt, al-Qaeda's ability to launch devastating attacks on Western countries has been significantly reduced. On the other hand, al-Qaeda and those that claim to represent it have increased their hold and their level of deadly violence in certain States, from Pakistan to Mali.

Each country is confronted with a specific situation requiring tailored responses from the governments in charge, with the support of the international community. There is no operational coordination between the groups that are operating from one end of this crescent of crisis to the other. But if the situation were to deteriorate, then we risk seeing the emergence of a continuous chain linking the terrorist bases of Quetta and southern Afghanistan with those of Yemen, Somalia and the Sahel.

Analysts are now calling the trend in Afghanistan catastrophic. Every day, we are told that the Taliban are back, as if the die has been cast, as if we are going to abandon the Afghan people.

The reality is that despite significant losses, the Taliban remain strong in the south and the east. On the other hand, there is no major violence in the rest of the country. The coalition and the Afghan government have been able to adapt their strategy and are continuing to do so. I believe that we will succeed if we continue our resolute action. All parties must fully assume their responsibilities, which were clearly established at the London and Kabul Conferences.

The responsibilities of the allies, our responsibilities, consist of defending the Afghans in the regions where the Taliban are posing a threat; to train the Afghan security forces so that they can fight by themselves; and, lastly, to provide civilian aid to the population tailored to its real needs. That is what France is doing in its area of responsibility, Kapisa and Surobi. The human toll is heavy, and this week it grew even heavier. But imagine what it would be if we weren't there. Let's not forget what the Taliban did in the past or the thousands of Afghans they continue to kill.

It is vital that the Afghan government improve the governance of the country, fight corruption and drug trafficking. It must also—and this is its key mission—offer reconciliation to those who renounce violence, cut off all ties with al-Qaeda, and respect Afghan institutions. Lastly, the Afghan government must take serious action to prepare itself to take over the security of the provinces and districts considered stable enough to be transferred to Afghan control.

Our action in support of peace should not be subject to artificial timetables or the whims of the media. We have realistic political objectives, based on a gradual and ordered transition. We have a clear strategy; let's carry it through to the end! France will remain involved in Afghanistan, with its allies, for as long as necessary and for as long as the Afghan people want.

But no victory will be possible or lasting without the support of Pakistan. With help from the whole world, that country is courageously dealing with the impact of the unprecedented floods. It is facing enormous economic and social challenges. It must defeat terrorism at home. But it must also deal with the sanctuaries where Afghan terrorists are taking refuge. That's what I told President Zardari on August 2. France will stand alongside Pakistan in this fight against all forms of terrorism. This battle must be fought without ambiguity; the less ambiguity there is, the more the international community will be convinced that it makes sense to help its government.

With regard to Yemen, the stability of the entire Arabian Peninsula is at stake. A year ago, when an armed movement was spreading and threatening to spill over into neighboring Saudi Arabia, several countries, including France, assumed their responsibilities. A fragile truce replaced the violent clashes. But the problem remains. It can be solved only through dialogue and reforms.

On the other side of the Gulf of Aden, in Somalia, the stakes are clear. The deadly attacks in Kampala in July showed that Islamist al-Shabab militias now have the capacity to extend combat far beyond their borders. Their victory in Mogadishu would transform Somalia into a base for al-Qaeda. It would destabilize an entire region already made vulnerable by the conflict in Sudan.

France contributes to regional stability through its military presence in Djibouti, Chad and the DRC. It will step up its effort in Somalia in response to requests from the African Union and its European partners. After training 500 soldiers in Djibouti, 2,000 Somali troops are currently being trained in Uganda, while the African AMISOM force, for which we have already trained 5,600 men, will be strengthened.

Of course, there will be no purely military solution. The European Union, the leading aid donor, must continue its effort and together with all external supporting players, help the government expand its political base, a necessary precondition for rebuilding state structures. This is also the path that will make it possible to achieve an enduring solution to the problem of piracy.

Lastly, in the Sahel, the barbarity of the Maghreb branch of al-Qaeda was demonstrated once again when it refused all offers of negotiation and murdered Michel Germaneau. These terrorists are trying to expand their influence in the vast desert regions where the States are struggling to assert their presence.

For the first time, in July, the terrorists were dealt a severe blow thanks to an attack led by Mauritanian forces, with France's support. Let me tell you: That day marked a major turning point. France lends full support to the governments that ask it to train, equip and advise the mobile forces that they need in order to destroy the groups that threaten to destabilize the entire Sahel region. At the same time, our civilian cooperation helps States to increase their support for local populations, and I hope that the European Union will do more in this area.

France also stands alongside Algeria, Morocco, Tunisia and Libya. Their fight against terrorism is also our fight since their security cannot be separated from ours.

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At the heart of this crescent of crisis lies Iran. The regime exerts its control through crackdowns and extensive use of executions, including the most appalling type of execution: stoning, with which Mrs. Mohammadi is now being threatened. It fuels violence and extremism in the region. But above all, it constitutes the main threat to international security in a key area: proliferation.

I want you to understand: France supports the development, in strict compliance with international standards, of nuclear power-generated electricity. That's why it welcomes the start-up of the Bushehr power plant, whose fuel will be exclusively supplied by Russia. The problem of course lies elsewhere.

Nearly a year ago in Pittsburgh, together with Barack Obama and Gordon Brown, we revealed the existence of the secret nuclear facility that Iran was building for its proliferation activities. I said at the time that we needed to impose sanctions on Iran if it did not change its policy. We are at that point now. The Security Council, the United States, the European Union and others have taken strong measures, unprecedented measures for the Europeans. It was high time. Because everyone knows the grave consequences of a policy that would allow Iran to continue its nuclear arms race: It would lead to widespread proliferation in the region, or to military intervention; in any event, a major crisis.

We will therefore resolutely implement these sanctions and I urge all countries to do the same. It is sometimes said that sanctions don't work, or even that they lead to war. That's wrong. They fail when they are too weak or don't have a clear objective. Ours is simple—to make Iran understand that its choices come at an increasingly high cost, and that there is an alternative: the start of negotiations; but serious, concrete negotiations that go to the heart of the matter. Is Iran ready for that? We will see in

September, when Mrs. Ashton and the Six meet the Iranian negotiators and dialogue begins in Vienna on the supply of uranium for the civilian reactor in Tehran.

I hope that a suitable agreement can be reached in the coming months, that Iran complies with the law, and that the international concerns will be removed. The concerns of Iran's neighbors must also be taken into consideration and they should be consulted on all agreements.

But if a credible agreement cannot be achieved, Iran's isolation will increase inexorably. If a threat were to emerge, we would also have to take steps to protect and defend those States that felt threatened.

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Some people claim that the violence spanning this crescent of crisis has just one cause: the lack of a solution to the Israeli-Palestinian conflict. That's clearly wrong. Those who kill in Baghdad or Kandahar want to destroy their enemies in Iran and Afghanistan. On the other hand, who doesn't believe that a peace settlement between the Israelis and the Palestinians would completely transform the political equation in the Middle East?

There again, the outcome is not certain. There again, it's a matter of commitment and determination. Let me tell you: A peace agreement, whose parameters are familiar to everyone, can be signed within a year. The revival of direct negotiations on September 2 is creating enormous expectations and enormous hopes. They must not be dashed. A viable, democratic Palestinian State established on the basis of the 1967 borders is both a right for the Palestinians and the best guarantee of Israel's security and complete integration in the region in keeping with the Arab Peace Initiative. It is also the only path, in the two peoples' interest, to reduce extremism and to restore faith in the future. The entire international community must support this renewed process.

With this aim in mind, France is proposing to host the second Paris Conference in Support of the Palestinian People to develop the economy and structures of the future State. In addition to the financial commitments resulting from the conference, it would offer strong, concrete evidence of the international community's determination to see the two-State solution succeed.

In the same spirit, France, together with the Egyptian co-chair, would like the second Union for the Mediterranean Summit to be held in Barcelona at the end of November. This will provide an opportunity to adopt several major economic projects that will demonstrate the capacity of all participating countries to build a better future for all people of the Mediterranean.

Peace between Syria and Israel is equally possible. France, which has renewed regular dialogue with Damascus that is helpful for the entire region, is involved, alongside Turkey, in seeking an agreement. I have tasked Ambassador Jean-Claude Cousseran with this goal; he has my full confidence.

At a time when hope is returning to the region, it would be intolerable for Lebanon to lapse into violence once more. France welcomes the simultaneous visits by King Abdullah of Saudi Arabia and President Bashar al-Assad to Beirut. It lends its full support to Lebanon's democratic institutions, to President Suleiman and to Prime Minister Hariri. France is deeply attached to this country and is a friend to all Lebanese. It is working to ensure the stability of a diverse Lebanon, in which all communities can live side by side in mutual tolerance and respect. This stability is the entire *raison d'être* of the international community's efforts in Lebanon. And it is the whole aim of the UNIFIL mission to ensure Lebanon's peace and sovereignty, which all its neighbors must respect.

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Ladies and Gentlemen, Ambassadors,

In Europe too, fate wavers between the best and the worst possible outcomes. Last winter it was the worst possible outcome: For commentators and even the markets, the Greek debt crisis had suddenly become a crisis of the euro, whose credibility was being called into question.

Allow me, now that the storm has passed, to remind you of a few simple truths.

Firstly, there was considerably less damage to the public finances of the euro zone than those of the United States or Japan, both in terms of deficit and debt.

Then, contrary to what is often said, the Europeans were able to react effectively, with a massive aid plan for Greece worth €110 billion and a €750 billion financial guarantee plan for the entire euro zone. The Greek government, for its part, has taken and is continuing to take the courageous measures that are necessary.

Certainly, it would have been better to take swifter action. But we mustn't forget that in Europe, the decision process involves 27 sovereign nations. What history will remember is that, as always, Europe overcame its difficulties by choosing solidarity and unity.

History will remember that these problems represented an opportunity for the EU to make new progress since they led to the affirmation of its economic governance.

What history will remember is that once again, Franco-German understanding allowed this European progress to take place, despite the initial differences in approach. At the crucial moment, Franco-German understanding was key.

What I take away from this ordeal is that we must strengthen the effectiveness of European institutions. This has been initiated with the stable President of the European Council, the High Representative for External Action and the Service that reports to it. The next step is the economic government of the 27, with meetings between the 16 members of the euro zone taking place whenever necessary. Just a few months ago, the notion of a European economic government was practically taboo, except in France. Today, all of Europe is in agreement that a true European economic government is not just necessary but essential. Now it must be established in concrete terms. Work is underway: France and Germany have made ambitious proposals that Mr. Schauble and Mme Lagarde presented at the Council of Ministers meeting of July 21. In October, the European Commission will take the necessary decisions on the basis of proposals by its president, Herman Van Rompuy.

But Europe cannot limit itself to economic issues, however important they may be.

What history has taught us is that no area of prosperity has survived without being able to ensure its security and defend its interests. We have a long way to go in Europe.

The crisis further increased the gap between the effort of our American allies and those, reduced and dispersed, of the Europeans. During the French EU presidency, we had defined responses together. We must implement them, because Europe can't be defended with walls of procedures and battalions of paper.

To defend against threats to our vital interests, we have nuclear deterrence, which is also a guarantee of our independence. But in the face of new challenges, the Europeans are lagging behind, although they should also be participating to ensure the security of the seas—essential to our trade—of space, and now cyberspace.

France is prepared to undertake concrete projects enabling us to successfully carry out the most demanding combat missions. I heard our British ally's statements on bilateral cooperation with France. We are prepared to discuss this without taboos.

It is with this concern in mind that I will attend the NATO summit at the end of November in Lisbon, where we will adopt a new strategic concept.

Our Alliance, both military and nuclear, is essential to our security. But it must be reformed, its structures must be streamlined and it must be adapted to the new international equation. It needs robust, projectable forces, and, as the Afghan experience has shown, better coordination between military and civilian actions. New threats call for a renewed, closer relationship between NATO and the European Union.

Our shared interests with Russia must lead us to develop, if Moscow so wishes, an unprecedented partnership to guarantee the security of the entire European-Atlantic space. In the coming days, France will make specific proposals to Russia pertaining to its relations with the EU and NATO, and with a view to the OSCE summit to be held in Astana in early December.

Ladies and Gentlemen, Ambassadors,

With 500 million citizens and an economic clout equivalent to nearly 30 percent of the global GDP, more than 35 percent of the global total of direct investments abroad, and nearly 60 percent of all public development aid, the EU holds the necessary cards to assert itself as a global economic power.

But it must have the will to play these cards cannily, as part of a coherent strategy aimed at concrete results and reciprocal benefits. Europe represents the world's largest market and the largest importer; we must not hesitate to act toughly and firmly to open markets that are thus far too closed! We must not hesitate to impose compliance with the rules of fair trade! We must not hesitate to combat fiscal dumping, social dumping and environmental dumping!

The special European Council meeting of September 16, which will be devoted to the EU's relations with its major partners, must help us move forward on all these points.

The European Union must also ensure that it has the means to remain in the top ranks of global competition. In that regard, it must fully implement the economic strategy that we adopted at the European Council in June. It must mobilize all our financial means in the service of stronger, more durable growth, betting on research, education and jobs, but also on agriculture, whose export volume, for Europe, exceeds that of its aeronautics industry. Europe, like the United States, must use its "green power."

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In a world undergoing profound changes, in a Europe that is moving forward, France remains well placed because, together with the Prime Minister and the Government, we have been engaged over the past three years in a major effort to modernize our economy. We have two simple objectives: to reduce competitiveness gaps with the most high-performing countries, and to improve our growth potential by casting off all the shackles that have accumulated over a period of decades.

Thus, we freed up and eliminated taxes on overtime hours to overcome the obstacle of the 35-hour work week, and have opted not to replace one of every two civil servants taking their retirement, as part of a broad administrative reform.

Thus we eliminated the professional tax, a tax that existed in our country alone and affected company investments.

Thus we adopted a tax provision, the most attractive of all OECD countries, to support corporate research.

Thus we granted our universities complete autonomy, allowing them, for example, to sign agreements with private companies or modify their curriculum.

Thus we launched the Big Loan, making it possible to invest 35 billion euros in higher education, training, research and innovation. With private co-financing, our total investment in the technologies of the future will be some 60 billion euros.

And thus we will reform our retirement system. This is a major reform that Parliament will adopt this fall. This reform is necessary and fair; it will strengthen France's competitiveness.

At the same time, like all its European partners, France will reduce its public deficit. It will fall from 8 percent of GDP today to 6 percent in 2011 and 3 percent in 2013. This represents a €40 billion reduction of our deficit by 2011 and a €100 billion reduction by 2013.

These reforms are also necessary to bolster the world's confidence in the French economy. And they are already paying off: In 2009, at the height of the crisis, foreign direct investment in France dropped only 4 percent, compared with 37 percent globally. France is the recipient of the most foreign direct investment in the world after the United States and China.

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Ladies and Gentlemen, Ambassadors,

On November 12, France will assume the G20 presidency for one year, and on January 1, that of the G8.

These are weighty responsibilities, coming at a time when questions are being asked about the vocation of both of these bodies.

Created at France's behest, the G20 represents 80 percent of the planet's wealth. It enabled the main economic powers to successfully weather the most severe crisis since the 1930s.

First, by supporting world growth in a coordinated manner. The results speak for themselves: In early 2009, the IMF announced that the recession would continue into 2010. Thanks to the G20's efforts, the world experienced renewed growth earlier than expected. And that's true for France as well: The IMF announced 0.3 percent; we will record at least 1.4 percent in 2010.

But to save the global economy in the long term, we must also adopt new rules for the financial system. Reforms that not long ago would have been unthinkable have been decided and implemented: The activities of speculative funds are now regulated; ratings agencies must be registered; the payment of bonuses by banks is defined by strict rules; and "maluses" have been put in place in the event of losses or poor performance. Finally, tax havens are disappearing. Five hundred agreements to exchange tax information have been signed since the G20 in London; around the world, bank secrecy is on the wane; and sanctions have been implemented against tax havens that don't adopt the new international rules.

It was necessary, in fact, to engage in a dialogue to resolve, in the long term, the dangerous imbalances in the global economy: massive excesses here, unsustainable deficits there. That dialogue was launched with the establishment of a framework for strong, sustainable, balanced growth at the Pittsburgh Summit. In 2011, it must be deepened and enriched; coordination mechanisms must be consolidated; multilateral oversight must be strengthened; and the level of expectation must be raised with respect to the commitments that were taken, including concrete economic policy measures and a timetable to achieve them.

All in all, the “crisis version” of the G20 has done a fantastic job. Unprecedented, even.

Today, now that relative calm has returned, there is a temptation to limit the G20’s ambitions to the implementation of the decisions that were taken, supplementing them in 2011 by a few useful measures: expanding regulation in areas where it remains insufficient; verifying the implementation of agreements on the exchange of tax information signed since the London summit; adopting strong measures to fight corruption; strengthening the mandate of the Financial Stability Forum; and more broadly, reexamining the prudential framework of banking institutions to avoid a repetition of the crisis we just experienced.

Specific proposals are on the table for all these subjects—first, to best prepare the Seoul Summit, then to expand results in 2011.

Completing the work that is under way is important, of course! The G20’s credibility depends on it. But is it enough?

Let me be clear: Sticking with this agenda would condemn the G20 to failure and the world to new crises.

Paradoxically, it was easier to be bold when the world was on the brink of a precipice and we really had no choice. Today, we have the choice: to complete the projects under way, deal with unforeseen developments as they arise, and limit our ambition to that; or to add new projects, the ones that have remained at a standstill for far too long, and on which global prosperity and stability depend.

France offers its partners the choice of ambition. With a single conviction: that only the G20 has the weight, legitimacy and decision-making power to give these projects of the future the impetus they need.

What are they? France will consult its partners on this subject. For its part, it identifies three:

The first is the reform of the international monetary system.

Who can deny that the instability in currency exchange rates is a substantial threat to world growth? How can businesses plan for their production and exports when the euro suddenly shoots from, say, dollar-euro parity to \$1.60, before tumbling back down a few weeks later to \$1.27?

Our postwar prosperity owed a lot to Bretton Woods, its rules and its institutions. Since the early ’70s, we have been living in an international monetary non-system.

Of course, I’m not talking about returning to a fixed exchange-rate system. What is desirable and even necessary today is to create instruments to prevent excessive currency volatility, the accumulation of imbalances, and the search for an ever higher level of foreign exchange reserves for emerging countries facing the sudden, massive withdrawal of international capital.

I am well aware of the fact that this is a sensitive subject. France is planning on suggesting that it be broached with its partners, without taboos but with the necessary caution. Why not begin by, say, holding a seminar bringing together the top specialists, perhaps in China?

Basically, three tracks could be studied:

1-First we must strengthen our crisis management mechanisms. Since 1990, emerging countries have experienced 42 episodes of sudden international capital withdrawals, jeopardizing their stability and growth. We must rethink these international guarantee mechanisms and institute more effective, faster multilateral instruments to prevent and handle these crises.

The IMF's instruments are currently under study. The financial crisis, as well as the crisis of the euro, showed that to guarantee stability, the world must be capable of swiftly mobilizing very large sums to deal with irrational market speculation.

I would also like us to discuss the international doctrine on capital movements. For years, we lived with the illusion that the opening of capital markets was always progress. Reality showed us that isn't the case. It is legitimate for countries that are highly dependent on foreign capital to take measures to regulate it at times of crisis. The best guarantee against a rise in protectionist risks, in this area as in others, is the development of multilateral rules.

2-We must then consider the suitability of an international monetary system dominated by a single currency in a now-multipolar world. The fact is, the accumulation of foreign exchange reserves in certain countries corresponds to the deepening current account deficit in the United States.

In London, the G20 countries decided on an exceptional allocation of 250 billion in Special Drawing Rights. This international asset is today a subject of growing interest. We are nowhere near establishing the global currency that Keynes proposed with the Bancor. But the availability of an international reserve asset that is not issued by an individual country would help strengthen the stability of the system as a whole.

3-Finally, we must find a way to better coordinate the economic and monetary policies of the major economic zones. With the G20 in Pittsburgh, we established the framework that must allow each of us to implement the appropriate economic policies to achieve high, stable growth while reducing international imbalances.

But we must also go further, and define a new framework for consulting on foreign exchange developments. This forum is currently the G7 group of finance ministers and governors of central banks. But how can we talk about exchange rates without China? We must discuss the best response to this unavoidable question.

There's nothing sacrilegious about talking about these subjects. Discussing them calmly, within the most legitimate, most effective forum—the G20—is something to be desired. It's even necessary. So why wait? And wait for what? The next crisis, with—yet again—incalculable consequences?

The second project we must undertake is controlling volatility in the prices of raw materials, which we are currently seeing with the sudden rise of wheat prices.

Who doesn't remember the hunger riots in Haiti or Africa when the prices of certain foodstuffs suddenly skyrocketed in 2008? Who has forgotten the tragic consequences of sudden rises in the price of oil and gas, followed by equally sudden drops, for the global economy?

Is there anyone who would dare say the subject is too difficult and it's better to do nothing?

France proposes that its G20 partners tackle this issue with ambition and pragmatism. Three subjects could be studied.

First, we should consider the actual functioning of derivative markets in raw materials. Why regulate the financial derivatives market alone? Extending regulation to raw materials is possible and desirable. We will also limit speculation.

Next, with regard to agricultural raw materials, several directions could be explored without preconditions: market transparency; storage policies; but also the creation, by international financial institutions, of tools enabling importing countries to protect themselves against exchange rate volatility.

Finally, the energy costs included on the G20's agenda since the Pittsburgh summit. France was given the mandate to propose measures for Seoul and for the 2011 summit to curb price volatility. We will propose transparency measures and a substantial dialogue between producers and consumers to limit exchange rate fluctuations.

The third project proposed for the French G20 presidency is global governance reform, which I spoke to you about at length right here last year.

The G20 decided it would be the "main global forum" for economic and financial issues. But it must still give itself the means to work more effectively. Shouldn't we create a G20 Secretariat to continuously monitor the implementation of decisions and deal with issues in conjunction with all pertinent international organizations?

Shouldn't the G20 also be including new subjects, such as development, on its agenda? Shouldn't we be adopting rules of good conduct and best practices for public aid within that forum? Shouldn't we be debating innovative financing there, notably a possible tax on financial transactions? This financing is essential if we want to meet the Millennium Goals and the financing objectives of the Copenhagen climate change agreement.

And while we're at it, shouldn't the G20 be discussing the financing of a climate agreement? At a time when the fight against climate change is at a standstill, after the disappointment of Copenhagen and the bogged-down legislative process in the United States, it is crucial for Europe and other developed countries to keep their commitments. Implementing the Copenhagen agreement is crucial, whether we're talking about "fast start," innovative financing or forest protection. Cancun will be important, but the November 2011 summit in South Africa will probably be the decisive time to seal an agreement. The G20 summit in France will be held just before that. I am planning on discussing this sequence, which could result in decisive progress, with President Zuma.

France will also suggest a broader debate on world governance. The G20 gave a decisive impetus to World Bank reform; it should do the same, in the coming months, for the IMF. How can it ignore the specialized UN bodies dealing with the economy, jobs, trade...? They all need reform. They all must learn to work together better.

How, in this context, can we not send a strong signal to the UN General Assembly on an interim reform of the Security Council? Without this decisive effort, that reform—debated at the UN for 20 years now—will remain deadlocked for a long time to come.

I spoke to you at length about the G20. A word about the G8. Some have said it is condemned. Others believe it has a rosy future if it refocuses on security issues and its partnership with Africa.

The future will decide, and France intends to prepare this summit carefully. It will allow leaders whose views are often very similar to discuss, as they did in Canada this past June, subjects of common interest and major political issues ranging from Iran to the Middle East peace process to Afghanistan.

Preceded by a meeting of the Interior Ministers of the countries concerned, the summit will also provide an opportunity to discuss the destabilization of Caribbean nations, West Africa and the Sahel by drug trafficking between Latin America and Europe. Together, we must cut off this drug route, help transit nations, and protect Europeans from this scourge. No doubt, in this context, we will have to raise the issue of the fight against al-Qaeda in the Sahelian strip between Mauritania and Somalia.

The summit's other major theme will be the partnership with Africa, because the G8 alone represents 80 percent of international public aid. You won't be surprised to hear that France, the world's second-largest public aid donor, attributes special importance to this partnership. The Nice summit and the 50th anniversary of independence from Colonial rule were opportunities to confirm both the strength of the ties inherited from history and the profound renewal in our relationship with the entire continent. I

will emphasize this again on September 20 in New York, at the opening of the summit on the Millennium Goals, a key moment in our mobilization.

During the G8 summit in Muskoka, we gave our African partners a report on the implementation of our commitments. At the summit being held under our presidency, Ethiopian Prime Minister Meles Zenawi will present a corresponding report on the use of that aid by the Africans. In light of these two reports, we are considering together the most effective means to help that continent spread its wings. Now more than ever, the G8 must stand side by side with Africa.

Finally a word on the spirit that will motivate me throughout the year of our dual presidency. Tell the leaders of your countries, whether or not they belong to the G20, that France intends to act collectively, listening to them and consulting them as often as possible. That's what I will do, for example, at the Francophonie summit in Montreux this October.

Ladies and Gentlemen, Ambassadors,

The topics on the agenda of the G20 and G8 summits will be the focus of your conference's work. I welcome that, because beyond the technicality of the subjects, our nations must answer a simple, decisive question: Together can we build a more secure, more prosperous, more just world for all?

Thank you.