

Mario Draghi: Atlantic Council Remarks

Speech by Mr Mario Draghi, President of the European Central Bank, at the 2015 Atlantic Council Global Citizen Award, New York, 1 October 2015.

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Ladies and gentlemen,

Thank you for honouring me today with this Global Citizen Award. And thank you also for honouring, through me, all those who have worked – and continue to work – to maintain the cohesion of the European Union, and to bring its integration process closer to completion.

The fate of Europe is naturally of immediate interest to its citizens. But it is also indeed of direct relevance to the world at large. The European Union and its monetary union are regional projects with global implications.

This is firstly due to the size of Europe in the global economy. Though the euro area has not made a major contribution to world growth over the past seven or eight years, it nonetheless accounts for 17% of global GDP and 16% of global trade. When the integrity of the euro area was under threat, so too was global prosperity. Christine Lagarde, who has chaired many IMF gatherings where the first topic under discussion was the euro area, can testify to that. By the same token, the return of the euro area economy to sustained growth, under the impulse of our monetary policy, is good news for everybody, everywhere.

To my mind, however, there is another reason why the euro area is crucially relevant to the global economy. It comes from the fact that European integration is by far the most advanced experiment in managing issues that cut across borders, through a combination of international and supranational arrangements.

65 years ago, the founders of the EU decided that we could only achieve results if we were united in facing common problems. At the time, the problem was war and the objective was peace. And it worked.

But now, the nature of the many challenges we face shows how right this approach fundamentally was: think of migrants seeking refuge in our countries, the threat of terrorism, the consequences of climate change, the recent succession of financial and economic crises. And these challenges are not specific to Europe. They are global.

I am certainly not suggesting that the path followed by Europe to manage them is replicable at a global level. But the experience we have gathered, the experimentation with supranationalism, the failures and the successes, all carry invaluable information for those involved in managing global issues.

It may seem at times that we in Europe are not able to cope with these challenges, but we do. Each and every time, we prevail.

And why is that? Because when we work as a union, we can address problems that would overwhelm us if each country tried to address them alone. And sometimes, what seems like a difficulty of working together is simply a reflection of the difficulty of overcoming the challenges thrown in our way. One should not mistake the one for the other.

Many argue that our societies are not homogenous enough to operate as a union. But others would argue that further integration is necessary to extract all the economies of scale and scope that our union brings.

I am firmly in this second camp. And I am firmly among those who believe that we can better protect the interest of citizens in every country by making our Union, to use a phrase from your constitutional tradition, “more perfect”.

The progress achieved over the past three years to stabilise and strengthen the euro area is real. Growth is returning. The way forward is well identified. And we will not rest until our monetary union is complete. It is in our interest. It is also in your interest and that of everybody, everywhere.

Thank you very much.