

# INTERNATIONAL WOMEN'S DAY CELEBRATION 2011

Hosted by *Women in International Trade (WIIT)* and the *Royal Netherlands Embassy*

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Keynote address by Her Excellency Renée Jones-Bos - Ambassador of the Netherlands

Ladies, and gentlemen,

TRADE IS THE SHORTEST ROUTE TO PEACE AND PROSPERITY

- This is my main message for tonight. It is not something I simply believe, it is something that is deeply rooted in our shared history. And it is something that holds great value for our common future.
- Let me explain you why I so strongly believe in this. International trade is what built the Netherlands. To a great extent, international trade is what made it possible to establish a free and independent Dutch republic. A republic marked by the freedom loving, tolerant and open-minded spirit of the 17<sup>th</sup> century traders from Amsterdam.
- They established a trading network that spanned the globe. That was precisely where our shared history starts, four centuries ago, in New Amsterdam - today's New York City. Founded by Dutch-American pioneers, prospering because of the international trade in furs. In New Amsterdam, 17 languages were spoken; women could own property; and there was freedom of religion.
- We like to say that we not only share four centuries of history, but that uptill today, we share these same important values: freedom, an open-mind, an entrepreneurial spirit. For us, these values are evidently connected to our prosperity, historically founded on international trade.
- A relationship that continues to hold importance today. Our economic ties account for over 700,000 American jobs. We are the third investor in the US, and vice-versa, the US is the largest investor in the Netherlands.

That's the historical foundation. Even more so today, TRADE IS THE SHORTEST ROUTE TO PEACE AND PROSPERITY

- Leaders like Harry Truman in the US and Robert Schuman in Europe understood this like no other. Truman showed the **leadership** that led to the Marshall Plan and the creation of the GATT. Schuman launched the plan that led to the creation of a European Coal and Steel Community, the basis for the European Union. These leaders understood that the most effective way to achieve peace and security was to construct ever stronger economic ties.

- Now - as experts in this field - you will say that international trade will not just know winners, but also losers. Prosperity for some at the cost of poverty for others. Which in turn might lead to conflict.
- In reply, I'd like to point out that the losers of today, could be winners tomorrow. Let me illustrate this with a Dutch example. Historically the eastern part of the Netherlands is known as textile region. Little weaving mills produced clothing for the Netherlands and several neighboring countries. Then came the dramatic fall in global transportation costs, leading to competition with much cheaper labor in far away countries.
- The political and business leaders in those days made an important choice: not to defend, protect and subsidize, but to open their minds, adapt and innovate. Today, companies such as Royal Ten Cate produce flame-resistant combat uniforms worn by American troops in Afghanistan. And they produce artificial turf even used for the Super Bowl final.
- Was this easy? Not at all. It was painful. It came at the cost of a period of high unemployment. A strong social safety net was important - something we would now call Trade Adjustment Assistance. But it was worth it. Surveys show that the people in this region are now amongst the happiest and most satisfied citizens in the Netherlands.
- Back to the global level. The ongoing integration of the global economy does not only cause a disruption of the ways we were used to do business, it can also have other unwanted side-effects. You are familiar with the themes: a scramble for scarce resources, environmental pollution, corruption, child labor, migration, dumping - and the list goes on. The losers here are the people in the weakest positions - often women.
- Here we also need to make an important choice. Again: not to defend, protect and subsidize, but to open our minds, adapt and innovate. Crucially important in this regard is **completing the Doha Round**. This would lift 500 million people out of poverty, creating all kinds of positive side-effects. Talking about winners.
- Yet the Doha negotiations seem to be stuck in a defensive mode - discussions about tariff levels and market access. But we need to open our minds to achieve that better bigger picture: an international trading system that effectively integrates developing countries into the global marketplace. In short: a system that ensures that international trade leads to stability and security.
- For that we need **leadership**. We need the perspective of the bigger picture and the longer term. The kind of leadership that the US provided in basically all previous multilateral Rounds, all the way back to Harry Truman. **Leadership in government**, but certainly also leadership from the **private sector** and the **non-governmental players**.
- Let me conclude. Truman and Schuman realized they had to do something to ensure longterm peace and stability, the basis for all economic growth. Using

economic tools they decisively steered our world away from global conflict, igniting a period of unprecedented growth. The world is at a similar crossroad now. We need to work hard on the removal of all barriers to trade, integrate new markets into the world economy, creating new jobs - both here and abroad. And let's do that with the same open-mind and entrepreneurial spirit as those Dutch-American pioneers of New Amsterdam.

- Thank you.