

PRIME INTERVIEW

CZECH PRESIDENT EXPLORES EUROPE'S SECURITY ISSUES AND MORE DURING DEFACTO INTERVIEW

Transcribed by B.DULGUUN

The UB Post has another interview by independent economist and TV personality D.Jargalsaikhan, more commonly known as Jargal DeFacto, for today's Prime Interview.

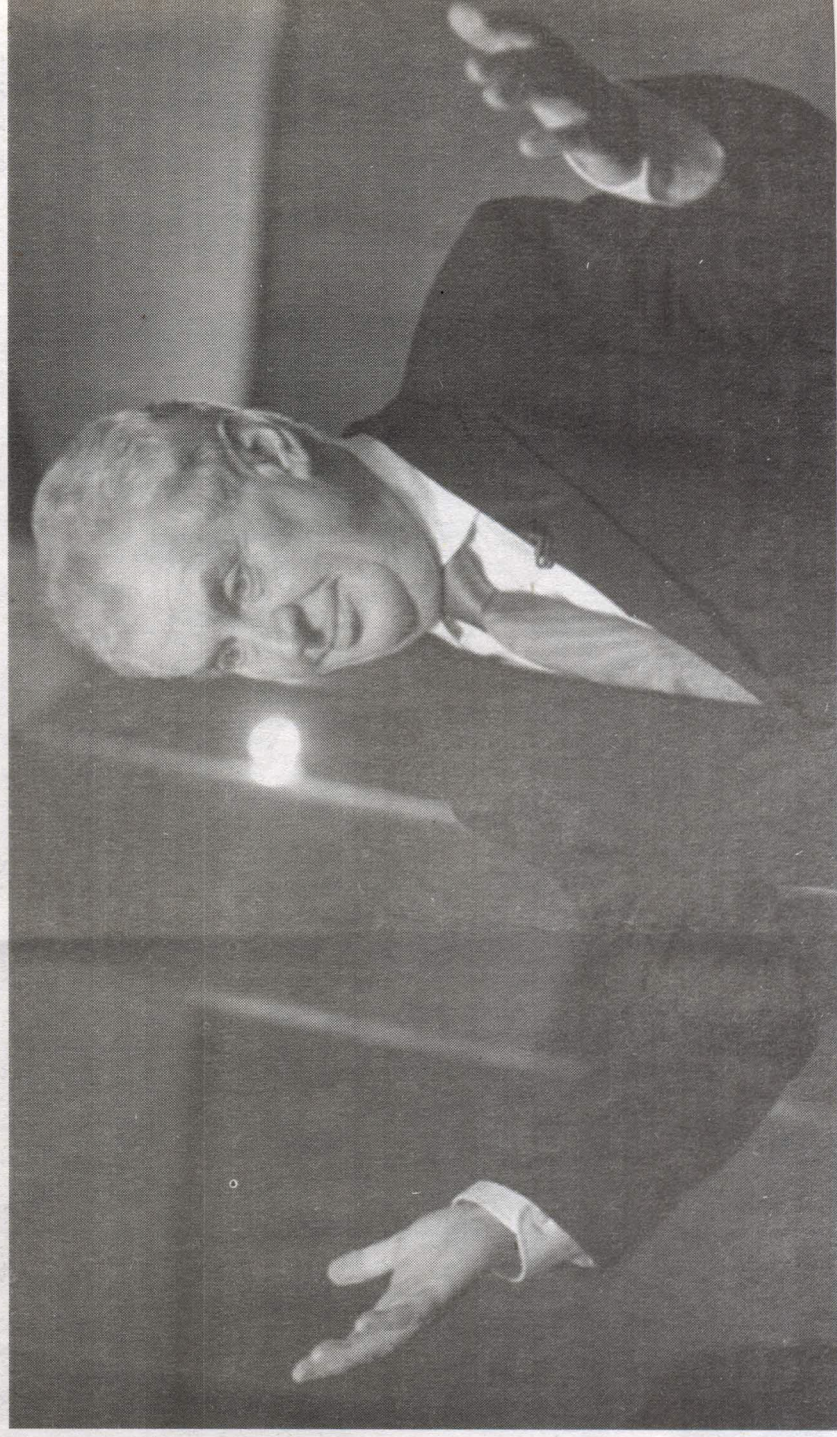
This time, Jargal DeFacto interviewed President of the Czech Republic Miloš Zeman about global issues, crises, and the Czech Republic's stable economy.

The interview was taken during the 11th ASEM Summit, hosted in Ulaanbaatar on July 15 and 16.

This interview has been lightly edited for clarity.

How do you view the ASEM Summit hosted here?

If I may be frank with you, the basic idea of ASEM is excellent. The problem is that this idea is sometimes underrated by the plenty of polite phrases and many concrete measures but there are exceptions. For instance, exchange of young people and youth have very positive ideas which are really realized. On the other side, just now, we have discussed the problem of terrorism. We



condemn terrorism. It is understandable but it is not enough. Do you know about the situation in Nice?

Yes, terrible news.

Terrible, of course, but there was the same situation in Charlie Hebdo, in a music club in Paris and so on. So, we must say how can we fight terrorists? Not only to give you the empty declaration that we condemn terrorism. This might improve the work of ASEM, but the principle of connectivity, people-to-people communication, and support of economic growth are accentuated as a Chinese idea of news and growth, and infrastructural investment. These are basic ideas but they envelope plenty of phrases. It is necessary to improve the work of ASEM but there were very interesting and important steps towards those purposes.

We need more and more conversations between Asia and Europe. To solve any problem, you need to discuss, and I am so happy that you are raising the issue of being more effective within ASEM. In particular, after certain events in Nice and Turkey, what do you see as the root of these problems that brought us to this problem? All over the world – Europe, Asia, the USA – we have issues with religious differences. Millions of people are running away from countries like Syria and running away to other countries, looking for refugee camps. You once said that issuing a migrant quota for each country of Europe was wrong and that history will show that it is wrong. What is your view on refugees?

In the Czech Republic, we have nearly no refugees, but in our neighbor countries, there are plenty of them. Well, we must understand the sources of migration. There are two basic sources

al-Assad. It was an illusion. If you study the so called structure of the democratic fallacy, it is Al-Qaeda, al-Nusra, Islamic state and so on. All are radical, Islamist, extremist groups. As I said, if we fight against Al-Qaeda in Afghanistan, the Czech Republic has forces also in Afghanistan.

So why do we support it in Syria?
Where are they coming from? It is not coming from the sky. There must be a reason why these people are getting together and even militarizing with weapons that were used for better things. Now, the world is getting worse and worse. What is the reason behind it?

If you studied the situation in the war, you may call it a civic war but I'm not so sure. It started as a civic war but now, there is invasion by those Al-Qaedaists and jihadists and it is not civic war. The military situation makes better use for troops of President al-Assad. We support peaceful negotiation. With a really democratic position, we are not with the jihadists. They were excluded from negotiations and I support this negotiation very much.

Let's go back to Europe. What is your thought about Brexit, Europe and the integration of the EU?

That is a good question. There is something like a "lose-lose" strategy. We always think about win-win strategy, but I invented this term (lose-lose strategy). The rest of Europe loses of course, but also Great Britain. There's serious loss for Great Britain – Scotland will ask for independence and enter the EU. This is one of the possible scenarios.

Is Europe becoming stronger or weaker after Brexit? What is the mood of the Czech Republic?

employment rate in all of Europe. We have the highest speed of growth of GDP, four percent. On the other side, I myself am a supporter of strong currency, not weak currency. The same problem is with labor force. You may accelerate economic growth on the account of cheap labor force, but economic growth is not a purpose itself. It is a tool. The purpose is highest standard of living.

If you have depreciated CZK and depreciated wages or salaries, you change the tools and the purposes.

I know you also speak very good Russian. So I would like to ask several questions in Russian now. These are questions about the security in Europe. In view of the things we have just discussed, how do you see the current security situation in Europe? Is it better than yesterday or worse than yesterday?

It is better. Well, I am now not mentioning the terrorist attacks. Those happen all around the world, they are inseparable part of the security situation and if you include these attacks into the term "security", then of course, the security is worse [than yesterday]. But if speaking about it in terms of what used to be the Cold War, even with some doubts, I would say that there is no Cold War anymore. And I would even say that in this particular period of time, tensions between Russia and the European Union will either disappear completely or will become lower than today.

Some countries, however, especially Russia, are not happy with the fact that NATO is expanding. That creates more tension, especially after the Ukraine affairs. I remember your statement after the annexation by Russia of the Ukrainian Crimea. What is your position today? How do you see what is happening in Turkey and relations between Turkey and

European Union, they have started and still do cooperate without any obstacles. But if they did not [enter the EU together], or only one of them did, that would have been a disaster.

So, everything goes well?

Now, already everything goes the normal way.

At the end, let me ask about the bilateral relations between Mongolia and the Czech Republic. How do you evaluate this relationship and how can we improve it?

I do very highly appreciate the fact that Mongolia has become one of the countries which have introduced a complete democratic system. It is also a credit to your president. I know his biography and history of contemporary Mongolia. As far as bilateral relations are concerned, you know that the Czech geologists used to help discover some mineral resources in Mongolia.

Including the very biggest ones.

Yes, including the very biggest ones. But, unfortunately, so far we did not have the possibility to take part in exploring these resources, although even that may happen. Nevertheless, the tradition of economic cooperation is deep. So is also the tradition of cultural cooperation – Mongolian students have graduated from many universities in Prague and other Czech cities. So, the tradition is great and we now need to continue and develop it further.

There are still many Mongolians who live in your country and they do continue this tradition... So, finally: We are now in Mongolia together... in fact we are now sitting in your house, so we can talk absolutely freely...

Iraq, Libya, Sudan and many other countries that are so called "failed countries", by the way, are the source of migration because terrorist attacks lead to migration. But there is also the second source - economic migration. Yes, there is basic difference in standard of living between European countries and countries in Africa, Middle East and so on.

We must accept refugees who leave their country for political reasons like terrorism, civic war and so on. I am against the acceptance of economic refugees.

Once these people are away from their country, the very root of the solution may be in their own country where the people want and could have normal jobs and normal entrepreneurship. What can the world community do so that these people can live normally in their own countries like Syria? What stops them from doing so?

You have mentioned Syria so let us start with Syria. I wanted to add that as for the refugees, it is some sort of a brain-drain from the point of those countries. Young, and maybe talented, people leave their countries so it is a brain-drain. As for Syria, it is a paradox to your situation. We made sure that in Syria, there are democratic forces that fight the regime of President Bashar

Without any doubt, it's getting weaker. [Great Britain] was a big share of the total production of GDP, and if Great Britain is lost, the EU is weaker.

How is the mood of the Czech people? You are not happy with the European Monetary Union, but economically, you are part of it in a way. How much will it impact the way Czech people live today?

As for Europe and the Monetary Union, inside the EU there is one important problem, Greece, because Czech taxpayers don't want to pay the losses of the Greek economy. This is the main obstacle for adoption of the EUR in the near future, but I'm sure that in a more remote future, let's say middle-term future, we shall adopt the EUR.

More than 20 years ago, when I was living in Prague, the CZK was almost at the same rate as today. What is the secret of you keeping the CZK exchange rate at this level? Do other countries keep it like this?

There was a small depreciation of CZK, about five or six percent. It is explained by the Central Bank that it's a basis for economic growth. Certainly, we have the lowest unem-

We were talking with the German President Gauck and he said, "How do we return Crimea to Ukraine? It cannot be possible any other way but through war. But who wants war with Russia? Nobody." So this is my answer to your question.

So you think that Crimea will remain with Russia, forever. And what about the Eastern part of Ukraine?

I would like to see the integration of Ukraine [into the European Union], including its Eastern part. This is based on the following: firstly, on changes in the [Ukrainian] Constitution, and secondly, on decentralization. That means autonomous, not separate, but autonomous regions on both Eastern and Western parts of Ukraine. In the Czech Republic, as well as in many other European states, there are autonomous regions and that is just normal.

Some 20 years ago there was Czechoslovakia. Then they were separated into the Czech Republic and Slovakia. How do you see this disintegration?

I was personally, originally against the separation. I have to admit, however, that once these two separate countries became members of the

I know you like history and you, of course, know that 800 years ago the Mongolians were quite important players in the relations between Asia and Europe. We are trying to do the same, or to do similarly. From this point of view, how do you see the concept of what we call the Silk Road, sometimes "Steppe Road" and the role of Mongolia in the future cooperation of Asia and Europe?

As you have said, according to your own words, you have recently discovered huge mineral resources, including gold and other rare and important minerals.

That is a great opportunity to increase the level of not only GDP but more importantly of the living standards. From this point of view - of level of quality of life - you may turn into some sort of, let us say, emirates... Why not become the Emirates of Asia? Not a Kuwait of oil, but a "Kuwait of gold".

On this nice and optimistic note, let me thank you very much for coming to Mongolia. On behalf of our nation, I would like to send our regards and gratefulness to your nation for friendship and for hospitality towards the Mongolians who live in your country.

I thank you, too, and I wish you all the best.

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